

## TV Consumer Market Study

### Background and Problematique

Television (TV), as a mass medium of video content consumption, plays a pivotal role in empowering citizens with information, education, and entertainment. It has witnessed tremendous growth over the past few years. As per a 2020 Broadcast Audience Research Council (BARC) report, TV viewership increased by 9 percent from 2019.<sup>1</sup> Further, estimates suggest that the total pay-TV subscriber base shall expand from 127 million in 2020 to 134 million by 2025, with total industry revenue increasing to US\$12.3bn by 2025 from US\$8.9bn in 2020.<sup>2</sup>

However, it is feared that these projections may not hold true since, reportedly, the TV ecosystem has witnessed a loss of 1.5 mn active TV Direct-to-Home (DTH) and cable TV subscribers during the quarter July-September 2021,<sup>3</sup> and the discontinuation of niche channels such as AXN, Star World, FYI TV18.<sup>4</sup> Media reports also highlighted potential threats to local cable operators (LCOs)<sup>5</sup> and estimated a 30-40 percent increase in cable bills for viewers.<sup>6</sup>

The Telecom Regulatory Authority of India (TRAI) has made attempts to ensure progressive, orderly growth of the TV viewing ecosystem and further its objective of consumer welfare. The regulator has also undertaken exercises to identify inadequacies impacting consumers.

Accordingly, to further TRAI's objective and in light of the recent concerns, understanding consumer perceptions based on set parameters, such as consumer choice, convenience in channel selection, consumer satisfaction for pricing, and quality of service is highlighted. The same is especially necessary for informing regulatory discourse.

### CUTS Project

In light of the above, it is imperative to understand how consumer perspectives on television consumption have evolved in the past few years, and capture trends on the set parameters indicated above.

Accordingly, CUTS is executing an on-ground research-based study to gather consumer insights and perspectives with respect to TV channel-**based video consumption**. ***The following methodology would be adopted for implementing the same.***

- **Desk Research**

Comprehensive literature review will be conducted on the subject, including relevant consultation papers, consumer guides, information notes, reports and press releases by TRAI, studies conducted on TV consumption, opinions of thought leaders, industry perspective, etc.

- **Consumer Household Survey**

A pan-India consumer household survey shall be launched to gauge consumer experience, preferences, and expectations on the parameters mentioned previously. The survey shall be conducted in two parts:

- o *Pan-India Survey* shall be conducted with appropriate consumer households from urban and rural Indian households and with different income levels.
- o *Hyper-local Survey* shall be conducted in a residential colony to obtain granular insights on the heterogeneity of choice as a case study.

- **Study Findings**

The findings from the survey(s) shall be appropriately analysed to map consumer satisfaction levels and their expectations. These shall be captured in an appropriate format – report/presentation. The same shall be properly disseminated to relevant stakeholders through one-on-one interactions, targeted e-mails, press releases, social media postings, etc.

Accordingly, the following outputs/ deliverables would form a part of the study.

- Consumer household survey questionnaire for the national level and the hyper-local survey
- Report/ Slide deck capturing the findings from the two surveys
- Press release or an op-ed in a national *daily* for disseminating key research findings

## Outcome

The study is expected to help promote consumer welfare by informing market and regulatory actions through survey results.

## Timeline

The project will be completed within five months, between February-June 2022.

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## Endnotes

- <sup>1</sup> The Year after Two Thousand and Nineteen, BARC India, available at: <https://bestmediainfo.in/mailler/nl/nl/BARC-India-%20YEARBOOK.pdf>
- <sup>2</sup> Media Partners Asia, India, Korea & China to Drive Pay-TV Revenue Growth As Total Asia Pacific Pay-TV Revenue Pie Forecast to Grow 3% CAGR to Reach US\$60 billion by 2025. Available at <https://www.media-partners-asia.com/AP2021/PR.pdf>
- <sup>3</sup> DTH, cable TV players lost 1.5 mn active subscribers during Jul-Sep 2021: TRAI, available at: <https://www.exchange4media.com/media-tv-news/dth-cable-tv-players-saw-decline-of-15-mn-active-subscribers-in-jul-sep-2021-tra-117798.html>
- <sup>4</sup> Cable TV bills set to rise, available at: <https://www.financialexpress.com/brandwagon/cable-tv-bills-set-to-rise/2356181/>
- <sup>5</sup> NTO 2.0- why is it a threat to the local cable operator as millions of jobs are at stake, available at: <https://www.financialexpress.com/brandwagon/nto-2-0-why-is-it-a-threat-to-the-local-cable-operator-as-millions-of-jobs-are-at-stake/2409091/>
- <sup>6</sup> Cable TV bills set to rise, available at: <https://www.financialexpress.com/brandwagon/cable-tv-bills-set-to-rise/2356181/>

